There can be no doubt that the amount of real saving now in progress, voluntary, owing to the patriotic effort of people who think they ought to restrict their own consumption so that the needs of our fighters may be provided, and enforced through the action of the Government in taking taxes and inflating the currency, is very much greater than it was before the war ; probably at least twice as much when all allowance has been made for depreciation of the currency. Some people think that this saving lesson will have been learned, will have become a habit, will continue and will grow. If so, if people save a larger proportion of their income than they did before, and if the total output of goods is increased, as it easily may be, it becomes at once evident that there is a possibility of a freer supply of capital for industry than has ever been seen. But in looking at this hopeful and optimistic picture, we must never forget that it can only be painted by those who are prepared to leave out of the canvas all the danger of industrial strife and dislocation, and all the danger of reaction to the old habits of luxurious spending which are so strong a possibility in the other direction. The war has shown us how we can, if we like, increase pro-duction, reduce consumption, and so have a larger margin than ever before to be put into providing capital for industry. Whether we really have learned

these lessons and will apply them remains to be seen.
There is also a possibility that some people may recognise that saving money and applying it to the re-equipment of the world for peace industry is a patriotical] 3^ praise worthy object not less than saving